

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-1(b)

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Gallery

In Re:

**BAV AUTO, L.L.C.,
a/k/a COSTA'S AUTO GALLERY**

Debtor-in-Possession.

Case No.: 22-17933

Hearing Date:

Judge: John K. Sherwood, U.S.B.J.

**ORDER TO APPROVE THE SALE OF THE DEBTOR'S INTEREST IN ITS
VEHICLE INVENTORY TO GIORDANO AUTO SALES, INC, FREE AND
CLEAR OF EXISTING LIENS, CLAIMS AND ENCUMBRANCES WHICH
LIENS SHALL ATTACH TO THE PROCEEDS OF SALE PURSUANT TO 11
U.S.C. §363(b) AND (f), FED. R. BANKR. P. 4001(d) AND 6004; (II) PAYMENT
OF PROFESSIONAL FEES AND CUSTOMARY COSTS FROM THE SALE
PROCEEDS; (III) WAIVING THE FOURTEEN-DAY STAY; AND (IV)
GRANTING OTHER AND RELATED RELIEF**

The relief set forth on the following pages, numbered two (2) through six (6) is
hereby **ORDERED**.

Debtor: BAV AUTO, L.L.C. aka Costa's Auto Gallery

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Upon the Motion of the Law Offices of Steven D. Pertuz, LLC, on behalf of BAV AUTO, L.L.C. aka Costa's Auto Gallery (hereinafter collectively "Movant"), under Bankruptcy Code Sections 363(b) and (f), Federal Rule of Bankruptcy Procedure 4001(d) and 6004 for order approving the sale of the Debtor's interest in its vehicle inventory, free and clear of existing liens, claims, interests and encumbrances and the Court having considered the papers submitted in support of and in opposition to the Motion and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein, and for good cause shown,

ORDERED as follows:

1. The Court has jurisdiction over the Motion pursuant to 28 U.S.C. §157(b)(2)(A) and (N). Venue of the Motion is proper pursuant to 27 U.S.C. §§1408 and 1409.
2. The Debtor is authorized to sell the vehicle inventory located at 1829 State Highway Route 1, Rahway, NJ specifically described in the Application in support of said Motion and which is incorporated herein ("the Property") upon the terms and conditions of the offer letter and contract provisions detailed in the Motion of sale pursuant to 11 U.S.C. §363(b) and (f), (h), and §544(a) to Buyer, Giordano Auto Sales, Inc., for \$125,000.00. The Court has determined that the Buyer is a good faith

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purchaser and this is an “arms-length” transaction. The sale was negotiated, proposed and entered into by the parties in good faith and without collusion, and therefore, Buyer is entitled to the protections of Bankruptcy Code §363(m) with respect to the Sale. Neither the Debtor nor the Buyer have engaged in any conduct that would cause or permit the Sale to be voided, nor that would justify the imposition of costs or damages, under Bankruptcy Code §363(n).

3. Approval of the Sale is in the best interest of the Debtor, the Debtor's creditors, and the Debtor's Bankruptcy Estate.

4. The final purchase price to be paid by Buyer pursuant to the Purchase Agreement is fair consideration and constitutes equivalent value for the Property.

5. The Debtor shall sell the Property to the Buyer free and clear of any and all existing liabilities, interests, encumbrances, liens and judgments with any specific or blanket liens of Automotive Finance Corp., Auction Credit Enterprises, LLC, Dealer Capital Group, Inc., Kinetic Advantage, Inc., Vero Finance Technologies, Inc. (Lever) and Westlake Flooring Services, Inc. (hereinafter “Floorplan Lenders”), to attach to the sale proceeds so that the extent and validity of the Floorplan Lender liens can be determined.

6. The sale price of \$125,000.00 allows for such sale to proceed as the sale price is not greater than the aggregate value of all liens on such Property but the Debtor has demonstrated the existence of a bona fide dispute against secured creditors,

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including the Floorplan Lenders, pursuant to Bankruptcy Code §363(f)(3) and (4).

7. The Debtor and/or the settlement agent are hereby authorized to pay all closing costs and customary fees out of the proceeds of the sale at the time of closing.

8. The Debtor's authorized representative, managing member or officer is hereby authorized to sign all affidavits and documents necessary to convey the legal transfer of the vehicle inventory at the time of closing.

9. The Debtor's bankruptcy counsel is hereby authorized to hold all net sale proceeds and pay all liens held by the Floorplan Lenders and any secured creditor that may hold a lien on any vehicle inventory, pursuant to an approved Plan of Reorganization and/or by way of further Orders of this Court fixing the amounts due to the Floorplan Lenders and any other secured creditor holding a lien on any vehicle inventory, with liens to attach to the sale proceeds remaining in place until such time Floorplan Lenders and other potential interested secured creditors holding a lien on vehicle inventory receive its proceeds.

10. The Floorplan Lenders are hereby authorized to release and endorse the vehicle titles held in their possession (which titles pertain to the Debtor's vehicle inventory) to the Buyer date as a good faith Purchaser for value within fifteen (15) days from the closing.

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11. The Debtor's counsel fees in connection with this transaction and all fees for services rendered in the within case shall be held in the Trust Account Of Steven D. Pertuz, LLC, pending a fee application and further order of the Court.

12. The Debtor is hereby authorized to pay all United States Trustee Quarterly Fees generated by the sale of said Property.

13. The final Settlement Statement shall be provided to the United States Trustee prior to closing to review the exact amount of any closing costs and adjustments to be made for the closing date.

14. A copy of the fully executed Settlement Statement shall be forwarded to the United States Trustee within three (3) days of the closing date.

15. Any holder of a claim, lien, or interest shall be barred from taking any action against the Buyer relating to said claim, lien or interest as Buyer is not assuming any liabilities of the Debtor.

16. The 14 day stay of the entry of this Order pursuant to Rule 6004(h) shall be waived.

17. This Court shall retain jurisdiction of all matters and disputes arising out of this Chapter 11 case and said Order.

18. The Movant shall serve this Order on the United States Trustee and

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any other party in interest whom entered an appearance on the motion within 7 days of receipt.